



Futures Strategy 2015 – 2020

Updated November 2017



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1. Introduction

Southway Housing Trust is a community based housing provider and social enterprise established in 2007, working in and around South Manchester.

At the start of 2015, Southway owned almost 6,000 affordable homes for rent across seven Manchester wards. All Southway homes exceed the Decent Homes Standard and our core landlord services achieve above average performance and tenant satisfaction ratings. Southway employs around 200 staff, the majority of whom live in the wider Greater Manchester area. Southway spends around £15million a year on operating expenditure to benefit local Manchester communities. It also has a £100million development programme to March 2021, investing in the housing stock of South Manchester.

In 2010 Southway adopted its first Futures Corporate Strategy, which covered the period up to 2015. The Strategy took the organisation from the delivery of the promises made to its tenants in 2007, when homes were transferred from Manchester City Council, into new areas of activity. These included the development and acquisition of new affordable homes, increased community investment including employment and training initiatives, and a focus on Age Friendly work reflecting the local population profile.

This new Futures Strategy has been prepared at an exciting and challenging time.

The strains on the national economy mean that our tenants and communities face welfare reform cuts and low wages, and often have incomes that are not keeping pace with the cost of living.

As a community based organisation, Southway is playing an increasingly significant role in our neighbourhoods, particularly as public services are reduced. Along with the community and voluntary sector and other partners, we will have to work harder and smarter to achieve our objectives.

At the same time there is optimism that things will improve, and as a Manchester focused organisation we want to make sure our communities benefit from this and from new opportunities.

In Greater Manchester, priorities have been set up to 2020 for economic growth and public service reform. The Manchester Residential Growth Strategy identifies the need for a big increase in the supply of new homes to support economic growth, and the Manchester Housing Strategy sets the broad priorities and strategic direction for many of our activities. The delivery of these plans will be strengthened as more control is devolved from central government to Greater Manchester. Southway can make a significant contribution to these aims.

This Futures Strategy is the Board's plan and sets out in detail how Southway will shape its own future. It includes our short and medium term strategic aims and priorities for the period 2015 to 2020 and shows how we will make the most of the challenges and opportunities available to us. It also sets the context for our longer term approach to investment and making the most of our financial capacity over the next 10 years and beyond.

An Annual Action Plan will be adopted by Southway's Board each March, setting out specific targets and outcome measures for the delivery of the Futures Strategy in the year ahead, and moving us towards achieving our overall success measures. The Futures Strategy is also supported by a number of other corporate strategies and plans, covering specific themes and priority areas. These are listed at the end of the document.

Many of our stakeholders have asked for a shorter and simpler version of the Futures Strategy so that they can understand our priorities and assess how best they can contribute to our objectives. This is available on our website.

Finally, we would like to thank our tenants and residents, partners, other stakeholders and staff for their contributions to this Strategy.

March 2015

1.1. Mid-Point Review

This Strategy has been reviewed at the mid-point of the delivery period. This review allowed us to confirm that our strategic priorities and planned actions remain relevant and right for Southway.

During the first phase of implementation of the Strategy, Southway has changed the company, governance and Executive structures, and put new funding arrangements in place, in order to deliver our objectives.

Two new subsidiary companies have been established: Southway Plus Limited - which carries our commercial activities of behalf of the Group; and Southway DevCo Limited - which carries out development activities on behalf of the Group.

A new Board and Committee structure is in place comprising: the Parent Board, a People and Places Committee (reviewing the operational activities of the Parent), a Remuneration Committee and a Group Audit and Risk Committee.

Southway's funding arrangements were revised in April 2016. Additional £35million loan facilities were secured, to help deliver Southway's ambitious development programme which is part of our Futures Strategy 2015-2020.

November 2017

Karen Mitchell, Chief Executive

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2. Vision, Purpose and Values

2.1. Our Vision

We will work in partnership with others to make South Manchester and the other neighbourhoods that we work in, places that people are proud of – safe places where people choose to live, work and play

2.2. Our Purpose

Our primary purpose is to provide high quality affordable homes in desirable neighbourhoods where people are happy to live and have the opportunity to achieve their potential.

We also have a wider purpose which is to make best use of our resources to achieve our social and community objectives.

2.3. Delivering Our Vision and Purpose

We will deliver our vision across three main areas of activity in the following ways.

As a housing provider, and the largest landlord in our area, we...

- Listen to our tenants and other residents and provide flexible, quality services that balance expectations and needs with costs and benefits. We provide good quality landlord services that are accessible and cost effective, and target our added value services at those who will benefit from them the most.
- Will increase the supply of housing in areas that are in or close to South Manchester, improving the range and choice of housing available for those who currently have limited or no access to a decent, safe and secure home.

As a neighbourhood management organisation with a focus on our communities we...

- Take our responsibility as a major stakeholder in the South Manchester area seriously and work in partnership with others to improve the area and the lives of those people and communities who are less well off.
- Support like minded local community and voluntary organisations where this means we can deliver greater shared outcomes.

As part of our commitment to improving prosperity and wellbeing we...

- Contribute to the regional priorities of economic growth and public service reform, with the overall aim of making sure our tenants and local residents feel the benefit of these changes.
- Will generate surplus that can be used to help fund our community investment priorities, by being efficient and effective, making best use of our asset base, and by delivering commercial services that complement our core business, utilising the flexibility of our commercial subsidiary, Southway Plus.

2.4. Our Values

Our values shape how we do things. We are...

Committed	We are dedicated to achieving our goals and delivering excellent services, and care about our customers and their communities
Ambitious	We are forward thinking and innovative and make a big impact in our neighbourhoods
Inclusive	We operate with fairness and with respect for diversity at our core
Collaborative	We work together with our customers, our local communities and our partners to achieve better results
Accountable	We take responsibility for our actions, are open with our stakeholders and can be trusted to do the right thing
Productive	We generate value from the way we use our resources including our homes and other assets, and through the efficiency of our working practices.

2.5. Success Measures

The following broad measures have been set to track the direction of travel during the Strategy period and to assess progress in 2020.

We will know that we have been successful if:

We have increased the proportion of our tenants who tell us that they are satisfied with our services and with their neighbourhoods – this will be measured in the bi-annual STAR survey;

We have increased the proportion of working age people living in Southway homes who are in employment or are regularly volunteering in our communities;

A higher proportion of our older tenants and local residents tell us that our services and neighbourhoods are age friendly;

We have delivered new homes and have firm plans in place to achieve our target of 1,000 homes over the 10 year period up to 2026;

We have generated surplus from new activities which will have been used to deliver greater levels of community outputs.

SMART outcome targets have been set against each of these measures and are built into our performance management framework to track and demonstrate that we are making progress during the Strategy delivery period.

At least annually, the Board reviews that satisfactory progress is being made and resets targets to reflect new opportunities and challenges.

3. The Strategic Context: Economy, Reform and Residential Growth

Southway is proud to be part of a diverse housing association sector that will house over 12 million people by 2033. What makes the sector stand out is our profit for a purpose business model and our long-term commitment to people and places.

In Southway's case, this commitment means that we want to improve the area in and around South Manchester, and the other neighbourhoods that we work in, and raise the aspirations and quality of life of Manchester people.

This section outlines the context within which we will operate during the period of this Strategy.

3.1. National Housing Policy

The economic uncertainties around Brexit have seen national policy change during the first half of the Futures Strategy delivery period, presenting new challenges from inflation during a four year period of rent cut and, for example, pressures on the costs and capacity of the construction sector.

National housing policy is primarily focussed on increasing the supply of housing (addressing the Housing Crisis) and supporting people into owner occupation, both of which have a positive impact on activity in the economy and open opportunities for Southway to deliver more new homes.

Welfare Reform, including the move to Universal Credit, has a significant impact on housing providers and our tenants, and will continue to present challenges for Southway.

We welcome the intention to review the form and function of social housing, both within Greater Manchester and in the expected Green Paper, 2018. We see this as an opportunity to influence the future models and opportunities available to provide good quality homes that people on lower incomes can afford.

At a national and local level homelessness has increased significantly since 2010. In February 2017, through its membership of the Manchester Housing Providers Partnership, Southway signed up to a Homelessness Charter and six pledges. Southway will continue to support initiatives that reduce homelessness through targeted lettings and work with partners.

3.2. Greater Manchester (GM) Growth and Reform Plan

The GM Growth and Reform Plan sets an aspiration for GM to be a net contributor to the UK economy by 2020. This means addressing a £4.7bn gap between public spending and tax generated, and moving towards fiscal self reliance. It will be achieved through a place based partnership of agencies from all sectors, led by the combined GM Authority, a partnership that has a shared ambition to increase the prosperity of the people of GM. Southway, as a member of the GM Housing Providers Group, has signed up to a Memorandum of Understanding to support the delivery of the Plan.

The Health and Social Care Partnership is also growing in importance and is now aligned with the wider GM reform programme. As a place-based organisation, Southway sees this as a welcome shift in direction, which will make our own partnership working more effective.

Growth

Compared to the UK as a whole, economic activity in GM is lower, unemployment is higher and pay tends to be lower. Growth sectors include professional, financial, technical and scientific businesses and information and communication. To achieve economic growth, the skills and productivity base of the GM population will have to improve to meet the needs of these sectors; for example, by increasing the number of people with qualifications (11.6% in GM have no qualifications compared to 9.9% nationally).

Reform

£7bn is spent in GM as a result of poor outcomes such as crime, unemployment or unplanned hospital admissions. Public service reform will focus on reducing dependency on services and reducing expenditure by focusing on those with complex dependencies and those furthest away from the jobs market. The number of residents receiving out of work benefits will be reduced by 12%. Health and social care reform will be implemented at scale, to move towards a population that is fit for work and with services that suit the needs of an ageing population, based around community delivery. Early years services for children and young people will also be improved.

3.3. The Manchester Strategy 2016 to 2025

The Manchester Strategy, launched in 2016, sets a vision of Manchester as a city that is:

- Thriving and sustainable: supporting a diverse and distinctive economy that creates jobs and opportunities
- Highly skilled: world class and home grown talent sustaining the city's economic success
- Progressive and equitable: making a positive contribution by unlocking the potential of our communities
- Liveable and low carbon: a destination of choice to live, visit, work
- Connected: world class infrastructure and connectivity to drive growth

The Housing Strategy 2016 to 2021 sets the priorities for housing. There is an urgent need to build more homes for the growing population to keep up with economic growth and job creation in the next 10 to 15 years. This challenge will be met within the context of reduced public funding, a market rent sector that lacks choice and has indifferent standards at the lower end, and the impact of public sector cuts and welfare reform on some neighbourhoods.

Southway is a key delivery partner and lead housing provider in the south of the city.

3.4. The Southway Contribution

Our unique strength and contribution comes from the type of organisation that we are. Southway has a community base and a detailed knowledge of and focus on our area. We have a strong asset base, provide good quality homes and have an existing development programme which is already delivering new affordable homes. This financial strength is allowing us to expand into new geographical areas and new tenure types, increasing our impact in terms of delivering much needed new homes. We are also a willing partner with a strong track record and we know from feedback that we have a good reputation and are trusted by our tenants, residents and partners.

Southway will align its priorities to those of the Greater Manchester partnership.

We will work with Manchester City Council, other public agencies and partners from all sectors to improve the prosperity and wellbeing of our tenants and local residents. This will include joint work with other housing providers in Greater Manchester as part of Strategic Partnerships and working groups.

We will need to extend our understanding of strategies and housing requirements in the wider geographical area adopted for our development aspirations, and build new partnerships in the places where we work.

Southway will contribute to the design of services with other agencies, including reform of our own landlord services. This will be built around improved partnership working, information and data sharing, shared cost and reward mechanisms and workforce reform. We will use an "Our Manchester" approach, based on the strengths and assets in our communities, listening and responding flexibly. And we will capitalise on our own strengths as a community based organisation, a place shaper, and through the unique relationship we have with our tenants and local communities.

Southway can support the growth agenda by raising aspirations and providing opportunities to access work and training and contribute to the local community. Community investment will remain a key area of activity, with a focus on employment and training initiatives, and building the confidence and capacity of our tenants and the communities they live in. We will also work with other housing providers to make sure the interests and aspirations of our tenants and their communities are properly reflected in national and local policy, including our commitment to challenge poverty as part of the Greater Manchester Poverty Pledge.

Southway will continue to provide homes in the South Manchester area that support economic and social aspirations, with housing of the right type, that is affordable and in the right location. We will make sure that our investment plans are aligned with our public sector partners. Whilst our first priority is providing affordable homes for rent, Southway will also look for opportunities to provide low cost home ownership options and market rent solutions for groups currently not able to access a decent home in areas where they wish to live. Where there is manageable risk and high returns we will also consider outright sale as a way to subsidise our other objectives.

Finally, as a major local stakeholder and place shaper, we also recognise our role in working with strategic partners to support healthy neighbourhoods that are well connected to local facilities and have good transport links, and the contribution this can make to climate change objectives.

4. The Southway Area

4.1. Our Geographical Area

The core Southway area covers seven Manchester City Council wards in South Manchester, and was defined as part of the housing stock transfer process in 2007. Up until 2014, our focus was on improving the properties and housing management services within these areas, as well as making significant investment in transforming and regenerating the neighbourhoods and communities that we operate in.

Whilst our main priority, and core purpose, will always be to provide services and opportunities that improve and enhance the lives of our tenants, we believe that we will be better placed to achieve this by stepping outside the constraints of the 2007 ward boundaries and operating in a wider geographical area.

From 2015 the Southway area expanded to pursue the following strategies:

- We have identified parts of the City that border our own area, where there are opportunities for us to add value. Where feasible, we will develop a presence within these communities, providing high quality housing, services and solutions, to improve neighbourhoods and drive growth and regeneration.
- We will not be limited by our current geographic area if we identify opportunities to develop services that return a surplus or add to our financial strength so that we are able to continue to invest into our communities. We will consider profit making initiatives throughout the Greater Manchester area but with a focus on the neighbouring areas of Trafford and Stockport and parts of Tameside and Salford. We will also consider development opportunities in other parts of the extended South Manchester housing market, including the northern parts of Cheshire East.

Our target areas for development are set out in the Development Strategy.

4.2. Our Core Neighbourhoods

This section provides a profile of the Southway core area and of our tenants. The information draws on analysis of a number of sources. Southway manages almost 6,000 properties in the core area for affordable rent. All of these are located in South Manchester, largely concentrated in estates in Chorlton Park, Old Moat and Burnage.

Manchester is the fourth most deprived district in England (according to the Indices of Multiple Deprivation 2010). It is a diverse city, containing contrasting populations of urban professionals and students, and disadvantaged, 'hard pressed' residents. South Manchester in particular is an area of great contrast, with pockets of deprivation set within affluent neighbourhoods.

Despite South Manchester being seen as affluent and desirable, Southway neighbourhoods in Chorlton Park, Old Moat and Burnage each contain some areas ranked in the most deprived 5% in England. In addition, some areas rank in the most deprived 1% in the domains of 'health deprivation and disability', 'crime' and 'income deprivation affecting children'.

Properties

The vast majority of Southway's properties are houses, with some flats. 67% of our homes are 3 bedroom, 22% are 2 bedroom, 9% are 1 bedroom and 2% are 4-6 bedroom. Most were built during the interwar period and some in the 1970s and 1980s. We also have some smaller flats and bungalows suitable for older residents, and we manage two age friendly sheltered schemes for older people.

Recent new development has focussed on smaller 1 and 2 bedroom flats, so we can provide choice for smaller households and reduce under occupation in our existing housing stock.

South Manchester is relatively undersupplied with affordable housing, the majority of which is concentrated in Southway's neighbourhoods. 20.7% of housing in South Manchester is social rented, compared to an average of 36.1% city wide, and much higher proportions in areas outside of the city centre: 61% in East and 37.6% in North Manchester. There is a high level of unmet demand for affordable housing, partly due to the high cost of private sector housing in the area. This is reflected in the high proportion of Southway's new lets made to people with the most pressing need to move.

Due to the limited availability of land, there is relatively little opportunity to develop new housing in the area.

In the rest of South Manchester, there is a high proportion of large houses and of owner-occupiers, in comparison to the rest of the city. There is also a fairly high proportion of private rented properties and flats, in comparison to other areas outside of the city centre.

People

Within Southway's tenant population:

- Unsurprisingly given the role of the social housing sector, a relatively high proportion of tenants are economically inactive or on a low income, and a high proportion are in receipt of welfare benefits.
- A higher proportion of Southway tenants suffer from a longstanding health problem, disability or infirmity in comparison to the Manchester average and the national average.
- People aged over 60 and retired people make up a higher proportion of our tenant population than in the rest of South Manchester and the city as a whole.
- There is a high proportion of single parent families and of children, in comparison to the rest of South Manchester and the city as a whole. The proportion of households with children is likely to increase, due to the recent Government and Southway focus on ensuring the most efficient use of homes, coupled with Southway's stock profile.
- The proportion of people from a black or minority ethnic group is higher than the Manchester average, though lower than the national average. The proportion is likely to slowly increase as Manchester is becoming more ethnically diverse.

4.3. Wider Areas

New target areas as part of our Development Strategy have been identified following an assessment of the population and properties in those areas and a growing understanding of the housing requirements and local markets, as set out in the Development Strategy.

5. Affordable Homes in Desirable Neighbourhoods

As the largest landlord within our area, we will listen to our tenants and other residents and provide flexible, quality services that balance expectations and needs with costs and benefits. We will provide good quality landlord services that are accessible and cost effective, and target our extra added value services at those who will benefit from them the most.

We take our responsibility as a neighbourhood management organisation seriously. In the areas where we are a major landlord and stakeholder we will work with others to improve the area and the lives of those people and communities who are less well off.

5.1. An Efficient and Dynamic Landlord Service

Since 2007, Southway has consistently improved services. We offer high quality rent collection, responsive repairs, void (empty property) management and tackling anti-social behaviour services.

Our aim for the next five years to 2020 is to further modernise our operations and transform the landlord service, making use of new technologies and ways of working, so that we can better meet the individual requirements of our tenants whilst maintaining current standards of performance and efficiency.

Where relevant, services will be designed to complement and add value to those services provided by other agencies, with the aim of tackling complex needs and promoting independence, and achieving improved shared outcomes.

To achieve this overarching aspiration, and reflecting the Vision and Values presented above, we will deliver:

- A responsive, flexible, community based service that takes into account the different needs of customers.
- A new relationship with our tenants, based on mutual respect and pride in Southway and our communities.
- High standard core services, achieving excellent levels of customer satisfaction whilst delivering value for money.

Our staff will:

- Be trained and supported to identify and assist vulnerable tenants, to take a flexible approach in delivering services, to show tenacity in solving problems, and to look for opportunities to empower tenants and increase their employment chances and life skills.
- Spend more of their time working in and with the community, resolving a diverse range of issues at first point of contact, using up to date technology and resources to support this approach.

Best use will be made of our resources by:

- Encouraging increased use of online services for routine transactions, with a commitment to provide our tenants with the skills and equipment to do this.
- Reinvesting savings from channel-shifting and new ways of working into support services and community activities that benefit our more vulnerable tenants and promote independence.
- Offering incentives and rewards to promote the use of online services, and positive behaviour, particularly around the prompt payment of rent.

We will judge our success by how far we improve levels of tenant satisfaction with our services and by how efficient (in cost) and effective (in performance) our services are when compared to similar landlords.

5.2. A Neighbourhood Manager and Place Shaper

Southway will play a role in managing and shaping improvements in neighbourhoods, so they are good places to live. Southway neighbourhoods are already neighbourhoods of choice and our affordable homes are in high demand, but there are still challenges to be addressed and improvements to be made.

Southway will work with Manchester City Council and local people to manage our neighbourhoods effectively. This will include delivering high quality, cost effective tenancy and estate management services, shaped around the priorities in each neighbourhood. Our community investment priorities will be closely aligned to our role as a Place Shaper. Where we can achieve greater outcomes we will look for ways to work in partnership with other agencies, including looking at how we can better integrate services.

Our tenants and residents regularly identify two areas for priority action: the management of the environment and our green spaces and tackling anti-social behaviour.

Green Spaces

One of the unique aspects of South Manchester is the greenery and open spaces. Recognising and promoting the importance of the environment in which people live is at the heart of our Green Spaces Strategy (2014) and our investment in neighbourhoods. We believe that the green environment of South Manchester helps to create places where people want to live, and that managing the environment well and improving the quality of open spaces can impact significantly on how places are perceived and valued.

We will deliver well designed and well managed environmental services and create green spaces that are safe for people to access and enjoy. Our green oases will provide an 'Urban Park' across the area, which can bring people together, build stronger communities and contribute to a healthier society, whilst enhancing biodiversity.

We will judge our success by measuring levels of tenant satisfaction with the area as a place to live and with the quality of our environmental management services, and by the levels of active use of our green spaces. We will also seek external recognition for our approach, including aiming to secure external grant funding and contributions from partners to our environmental projects.

Tackling Anti-Social Behaviour

Preventing and resolving anti-social behaviour and improving community safety is a key part of making sure South Manchester is a place that people are proud of. Southway is a member of the Manchester Community Safety Partnership and we work closely with local neighbourhood policing teams.

Southway's communities should not have to put up with anti-social behaviour, and we deal with reports promptly. We do not tolerate anti-social behaviour being caused by our tenants, leaseholders, people living at or visiting our properties, or applicants wanting to become tenants. Our experienced and highly trained staff use a range of enforcement tools to resolve cases. Anti-social behaviour service users report high levels of satisfaction with the service. The work of the team encompasses domestic abuse and Hate Crime.

5.3. Asset Management

The Southway Asset Management Strategy includes the activities carried out to make sure Southway's property assets meet agreed standards and have a long term and sustainable future. The Strategy is clearly linked to corporate objectives.

Its aims are to:

- Continue to offer our customers quality and cost-effective repairs and maintenance services, with a consistent level of service for all rented tenures (and where appropriate leaseholders) and across all locations.
- Ensure that our stock meets clear and consistent standards of repair, amenity, safety, compliance, energy efficiency and thermal comfort.

- Ensure that we use and grow our housing stock to meet both current identified needs and anticipated future demand and expectations.
- Ensure that our activities contribute to the sustainability of the neighbourhoods in which we operate.
- Ensure that we fully understand and monitor the financial performance of our assets and that we drive improved performance and rate of return, in order to provide greater capacity to meet our overall objectives.
- Continue to drive value for money and efficiencies through all of our asset management activity, including our in-house team and external contractors and suppliers.
- Use our asset management activities to drive social value, for example through employment and employability.

The last stock condition survey carried out in 2015 identified continuing investment needs in our homes for a range of cyclical maintenance to property fabric and heating systems and the provision of major equipment and adaptations. The results have informed the level of investment required for the next thirty years, with a specific focus on the five year period 2016/17 to 2020/21. They did not indicate any significant or new areas of required investment.

Environmental Sustainability

Southway adopted its Environmental Sustainability objectives in 2011. Its main focus has been on delivering projects that best support our tenants and our communities. These include:

- Providing energy efficient homes through a range of improvements, including Solar PV and insulation.
- Providing support and advice to tenants to save money on their utility bills, through home energy and supplier switching advice.

The majority of Southway homes sit in energy rating band C, whilst the government target is that all homes should achieve a B grade by 2035. We will carry out work to improve the efficiency of homes wherever possible and build all new homes to energy rating B.

We will judge our success by the proportion of our homes that achieve grade B and by the energy savings achieved by our tenants following our advice and investment.

Age Friendly

We will look at ways in which existing homes can be modified to support older people to age in place. Modifications and adaptations to homes generally take place when a specific tenant need is identified. Therefore, we will look to use products that are easier for older people to use and take a more proactive approach when improving and repairing homes.

Use of Asset Base, Property Demand and Options Appraisal

Evidencing the effective use of our asset base is a key issue in achieving value for money. Whilst it is accepted that Southway stock is of high demand, we will put a methodology in place to understand its wider value and challenge assumptions about future use. This will enable us to assess whether there are better options for pockets of stock including, for example, disposal, demolition, regeneration or conversion.

A particular priority is to look at options to convert family homes into shared housing for older people and review the long-term use of bungalow schemes where access and the feeling of security do not meet modern expectations.

Acquisition and New Build Properties

Property standards across the stock will vary by type, tenure and location. The majority of the rented stock will be maintained to the Southway Decent Homes Plus standard. New build properties will in general exceed this standard due to improved thermal efficiency and will better meet the needs of all age groups. The standards imposed for other tenures (market rent for example) will correlate to the life cycle of that asset. Standards will include consideration of running costs for tenants and residents, making homes as energy efficient and age friendly as possible and minimising ongoing maintenance and running costs.

5.4. Repairs Provider of Choice

The Repairs Service is the most important service to our tenants and the one that our tenants use most often. The service is managed and provided by our in house Repairs Team. It achieves above the median performance for all key aspects of the service including satisfaction, delivery of service standards and value for money.

In 2014 a new service Business Plan was adopted. This set a new vision: "To be the repairs provider of choice in the South Manchester area". The Plan targets areas where there is scope to further improve service delivery and customer satisfaction, and to align the service to the Asset Management Strategy.

The Plan reflects Southway's current position as a community based organisation serving our tenants, but also our aspiration to sell services to other potential customers in and around the Southway area, looking at ways to extend business opportunities and increase the financial surplus to further benefit Southway communities.

We undertook a pilot in 2015/16, to provide maintenance services to residents in our neighbourhoods living in homes they have purchased via the Right to Buy, older people living in private sector homes and our own tenants who wish to carry out their own improvements.

We will judge the success of our commercial repairs service, and whether to carry on with these services and to expand into other areas, on the basis of turnover and profit achieved.

6. Community Investment

We will work in partnership with others to improve the prosperity and wellbeing of the people and communities that we work with, particularly those who are less well off, and make sure our tenants and local residents benefit from the economic growth of Greater Manchester.

One way in which we will achieve more from our investment is by supporting like minded local community and voluntary organisations to deliver greater shared outcomes. Where we deliver commercial services that complement our core business, we will invest any surpluses achieved into our community investment priorities.

We will measure our success by the numbers of people who engage with us and improve their own lives, become more independent or achieve their aspirations whether these are, for example, to support others or benefit the community through volunteering, get into and sustain employment, learn new skills or complete training and qualifications

The outcomes we will be quantified and compared against similar projects using our Value Insight tool. An Annual Report will be produced to celebrate success and to promote our communities.

6.1. Employment and Training

By 2020 we want to have offered all our working age tenants who are able to work access to the advice and support they need to get into and sustain employment.

To support this aim we will make sure we have up to date information on the employment status and skills and aspirations of our tenants, so we can target our investment in employment related support services where it will have most impact. We will form strong partnerships and have referral arrangements in place with relevant agencies, targeting our services at people who are furthest from the jobs market.

Key priorities include:

- Supporting at least 400 tenants a year to access employability support through learning hubs and one-to-one support with employability, financial literacy and free internet access and IT training from all Southway community buildings.
- Directly supporting at least 50 Southway tenants each year into paid employment or to set up their own businesses.
- Creating the environment with our partners to encourage economic growth as well as flexible services and spaces to support enterprise.
- Referring families with complex needs and high levels of dependency to key worker services, with access to targeted support and with the ultimate aspiration of assisting them to achieve employment.

6.2. Volunteering

Southway is committed to developing and promoting volunteering and volunteer networks. By 2020 we want at least 300 tenants will be active volunteers in our area.

Individuals and groups make a significant contribution by giving their time, experience, knowledge and skills without any financial gain, to provide a benefit to individuals, the environment or the wider community. We value and support this role and recognise that a number of our services and activities would not take place without them.

Volunteering provides added benefits to those involved, with improvements in general health and wellbeing and increased self-confidence. Helping others keeps people active, increases social contact and provides stimulation and a sense of pride.

Southway will support formal and informal volunteering opportunities, particularly where they contribute to the delivery of our objectives; for example, providing Energy Doctor Advice and befriending services, running community facilities and age friendly projects, and contributing to consultative groups.

Our successful Time Bank model will form the cornerstone of our approach, and will be rolled out into all our communities.

6.3. Health and Wellbeing

We believe in the fundamental value of good mental and physical health and wellbeing, to improve our tenants' quality of life and help them to access training, volunteering and employment opportunities.

We know that our tenant population includes higher than average numbers of older people and people reporting that they have a long term limiting illness or disability. Our tenants are also more likely to be living on low incomes, unlike the profile of people living in the more affluent parts of South Manchester. We also know that people living in our neighbourhoods are more likely to develop long term health conditions at a younger age and have lower life expectancy than the general population.

We will contribute to the Vision set out in the Manchester Health and Wellbeing Strategy: Living Longer Living Better, which by 2020 will have transformed services so that they "will support people to live longer, healthier lives by ensuring a wide range of high quality health and social care services are easily accessible within communities, and are centred on the individual and their specific health needs."

Southway will particularly focus on 2 of the 4 strategic objectives: to improve health outcomes and to support self reliance. Identifying opportunities to work with other agencies to help improve our tenants' health and wellbeing is an integral part of our community investment approach. This includes helping to develop and participating in joint working models with health and social care bodies through place based service delivery.

6.4. Partnerships and Community Buildings

We will use our community buildings to provide local services for our tenants and strengthen community cohesion.

We will continue to work closely with a number of community partners. We want to strengthen these relationships and will set up a formal partnership structure with our local community and voluntary organisations so that where we have shared objectives we can maximise outputs, share our expertise and work together to establish sustainable funding arrangements. This structure will also provide a framework through which we can reinvest any surpluses available to support community investment.

We will invest, either directly through ownership or as part of a partnership arrangement, in a network of local community buildings within our neighbourhoods. Southway directly provides community services from Westcroft Road and has an interest in buildings at Barlow Moor and Burnage library.

We will focus on developing and expanding the services currently offered from these centres to provide for a range of different community needs, and encourage the development of shared service models, where community centres become 'hubs' for the delivery of a wide variety of services and projects.

We will work alongside the groups involved in the running of these centres on a long-term basis, supporting their sustainability and helping their businesses thrive. This will include supporting them to become more self-sufficient, with strong business plans and governance structures.

In addition, we will support other organisations that are providing essential community services to our neighbourhoods. Supporting local cultural activities, events and festivals can also contribute to making great places and will be part our approach.

7. Southway Age Friendly Living

Southway adopted its first Age Friendly Strategy in 2010. The Strategy recognises that our older tenants are a significant group and that our tenant population is ageing, with over 50% of Southway households including a person aged 50 or over.

The principal aim of the Strategy is to 'make Southway and its services and neighbourhoods more Age Friendly'. In doing this we will improve the quality of life of our older tenants. By 2020 we want at least 80% of our older tenants to tell us that we are Age Friendly.

The Old Moat Age Friendly Neighbourhood project, commissioned by Southway in 2012 is recognised internationally as an exemplar of best practice. The learning from this project will be the cornerstone of our age friendly practice.

The majority of the older population live in family homes. These may become unsuitable as people age and can result in high levels of loneliness and isolation as the families and communities around them change. The reality is that the majority of older people will stay in these homes due to limited access to other housing options,

and a preference in most cases to stay in the home and in the neighbourhood that they know.

Increasing access to alternative housing options is therefore a priority. We will build new homes that specifically meet the needs of older people. We will also make the best use of existing affordable housing stock whether owned by Southway or by other housing providers.

We also want to make sure that older people can achieve a good quality of life whilst living in our homes and neighbourhoods. We will continue to develop services through co-production with our older residents to make sure that these are designed to meet their needs.

Our approach is complementary to the aims and objectives of the Housing for an Age Friendly Manchester Strategy, adopted in early 2015 by Manchester City Council, housing providers and health partners.

Whilst we remain committed to delivering our Age Friendly landlord objectives, we are also well placed to take advantage of the growing interest in ageing and the opportunities that may arise from this. There is potential to increase our focus and external reputation by providing excellent services to existing and potential customers, and offering consultancy, support and agency services to other housing providers and agencies. Where new opportunities are on the basis of generating a return, surpluses will be used to contribute towards our social objectives.

Opportunities and priorities to 2020 include:

- Using the principles of the Old Moat project, develop new neighbourhood plans starting in Burnage.
- Expand our social prescribing and peer support networks from Old Moat into new areas.
- Ensure that existing homes and gardens enable independent living, by providing a high quality and proactive repair, maintenance and adaptation service.
- Build a mix of new homes for older people including extra care and shared ownership and support older under occupiers to move to more fit for purpose accommodation.
- Expand our reach and reputation as the lead on Age Friendly into GM. We will promote our models of working, provide advice and support and deliver projects in partnership with other housing providers.

8. Priorities for Investment

Southway is a well run organisation that has a strong Business Plan and financial capacity which will be used to support the delivery of our vision.

This section identifies continuing and new areas for investment, which will be delivered in addition to our core landlord and community investment activities, and which will be a priority for the balance of available resources.

A key part of our commitment is to increase the supply of housing in our core area, and target areas within Greater Manchester and the northern parts of Cheshire East (referred to as the Development Strategy Area) to improve the range and choice of housing available for those who currently have limited or no access to a decent, safe and secure home.

Our aim is to provide in excess of 1,000 new homes over the 10 years to 2026 with 750 delivered by 2021.

Where homes are delivered for outright sale, shared ownership and market rent, these will be sold or let under our commercial service brand 'Gecko'.

8.1. Affordable Homes

Southway began the development and acquisition of additional homes in 2012 and had built 144 new properties by April 2017. With projects already committed, we will have started another 135 new affordable homes by April 2018.

The Development Strategy outlines the tenure options and priorities for the development programme to 2021. Additional affordable homes will also be considered as a high priority for any new or surplus resources available.

Part of our Strategy for the provision of further affordable homes is based on a clearly identified need within the Southway area. The housing market is unlike that in other parts of Manchester: there is a much lower level of social and affordable housing, lower turnover, and higher property sale prices and market rent levels. 64% of economically active households earn incomes of below £20,000 a year, and average house prices are six times the average income, so there are limited housing options available to people who can contribute to the economic growth of the area and the city as a whole. The area is recognised as a neighbourhood of choice.

The Development Strategy 2016-21 identifies that Southway's proposed growth targets cannot be achieved in its core area alone and therefore identifies additional geography and priorities for investment.

Our priorities include:

- Replacing homes lost through the Right to Buy;
- Addressing the imbalance in the existing stock by increasing numbers of 1 and 2 bedroom homes for people of all ages, including people on the housing waiting list and existing tenants wishing to downsize;
- Increasing the number and range of options for the growing number of older people;
- Providing housing as part of regenerating neighbourhoods, with a focus on struggling local centres and schemes which improve the provision of local community facilities;
- Providing housing options for younger people affected by Welfare Reform changes, through new build, acquisition or remodelling.

Shared ownership, outright sale and market rent tenures will all be used to contribute towards Southway's overall growth agenda.

New opportunities for the 2015 to 2020 programme include:

- Community Capacity Building projects – working alongside partners to carry out neighbourhood regeneration projects that support community hubs, provide new homes and increase opportunities for building communities and the capacity of individuals.
- Age Friendly Living – projects that will specifically support the Age Friendly agenda and provide extra care accommodation, or sheltered or age restricted housing. This may include provision of community facilities that are focussed on older people.
- New Build Opportunities – including the acquisition of sites that will be used for general needs accommodation.
- Acquisition of stock portfolios from other Registered Housing Providers.

Right to Buy Replacements

There has been a steep increase in Right to Buy sales since discounts were increased, the net proceeds of which are re-invested in new stock.

From April 2015, Southway anticipates sales at a similar rate, but its Business Plan will not be reliant on such for funding its mainstream stock expansion programme. Surpluses from future sales will contribute towards the overall resources available for the development programme.

8.2. Shared ownership

Southway acquired grant funding through the Shared Ownership Affordable Homes Programme 2016-21. This is a major part of the Development Strategy and provides the Trust with funds to deliver a minimum of 291 shared ownership properties over a five year programme. This grant will increase the supply of housing and improve the range and choice available to those unable to buy on the open market.

8.3. Homes for Market Rent

Market rent will become a 'core business' function, due to a strong market, high national demand and an ability to drive a positive financial return. Southway has an existing portfolio of family properties acquired in South Manchester since 2015 and has just committed to its first new build market rent apartment scheme in Altrincham.

Southway's future acquisition and new build development plan identifies the provision of market rented accommodation of all types in the Development Strategy Area that create a positive financial return, while attempting to assist families, couples and single people into quality, well managed accommodation.

Southway is delivering a market rent product for two main reasons:

- To generate income streams to reinvest in core objectives; and
- To directly deliver core social objectives by providing a housing option for groups with limited access to good quality, well managed homes.

A number of preferred business streams have been identified:

- Provision for families with children who cannot afford to buy and won't be prioritised for affordable rented, in the Development Strategy Area, with a minimum return on investment expected.
- Shared homes for young single people in South Manchester and surrounding areas, to support neighbourhood regeneration and provide homes for younger people with limited housing options.
- General lets in the Development Strategy Area.

A future priority may also include Age Friendly market rent as part of larger mixed tenure projects.

The Southway market rent service provides well managed homes with greater security than is often the case in the sector, for target groups and contributes towards our wider vision.

8.4. Homes for Sale

As part of Southway's desire to create 'profit for purpose', we will take advantage of current market conditions and deliver a small portfolio of open market sale housing. This portfolio will be delivered in accordance with the Development Strategy and Investment Framework requirements.

It is acknowledged that housing for sale is more risky than affordable housing development and therefore this will be exclusively delivered through Southway Plus, the Group's commercial subsidiary.

8.5. Neighbourhood Regeneration

Neighbourhood management is at the core of our service offer, and is a skill we can use to achieve wider objectives, including regeneration at a local level. Our approach to date in delivering the Home and Environment Improvement Programmes has been to transform neighbourhoods, with high quality and effective investment supported by strong on going management.

We will explore opportunities in and around the Southway area and develop plans where we are best placed to do so. Priorities identified for further work include those listed below.

As our ownership increases in these target areas our influence will grow and lead to the possibility of wider initiatives to support the regeneration of neighbourhoods.

Levenshulme

Levenshulme sits either side of the A6, a main through route. The area to the west of the A6 has close links with Burnage and Ladybarn, within the Southway core area. To date there has been no clear lead housing provider in the area and no overarching strategy for housing. Instead a piecemeal approach has been taken.

Southway will establish a clearer understanding of the housing market in this area and consider opportunities to put in place a more coherent plan which supports wider regeneration projects. Our overall aim is to increase the supply of good quality homes in the Levenshulme area, mainly through market rent acquisitions, but also new build opportunities as they arise in line with the Development Strategy.

Rationalisation

A number of housing providers have homes in the Southway area; the majority with a small number of homes managed from remote locations. 21 of these providers have less than 100 homes. There are also some larger housing providers seeking to dispose of stock, in the core and wider areas, as part of their rationalisation strategies or due to new asset freedoms.

Where these homes are within the Development Strategy Area, or where there may be a wider advantage in working together (for example in schemes for older people), the opportunities to improve the use and management of these homes will be explored and discussed with landlords.

Our aims are to:

- Increase Southway's own supply through stock acquisition;
- Identify opportunities to collaborate and establish partnerships to improve housing and neighbourhood offer;
- Develop new products and services;
- Offer value for money management and maintenance services to other providers.

8.6. Strategic Development Partnerships

Southway recognises the value of working in partnership with others to increase outputs and share skills and expertise. A number of opportunities may exist and will be explored to put in place partnership delivery models, along with other Manchester or Greater Manchester housing providers and other partners. This will be considered where it will maximise the value of land, and increase investment finance or public grant to create delivery efficiencies and support new housing supply at scale.

Our aims are to:

- Along with other providers, make a significant contribution to Greater Manchester new homes targets;
- Have access to public sector owned land which is made available to support the delivery of new homes;
- Access institutional investment and public grant.

8.7. Balance of Priorities for Investment

The balance of investment is identified in the Group Business Plan and further articulated in the Development Strategy and Asset Management Strategy. Resources to undertake investment and development activities are discussed in the following section.

Southway's financial plans include a contingency for the period 2015 to 2020 so that we are able to respond to new strategic priorities and initiatives that are consistent with our objectives, if and when they arise.

9. Well Managed and Financially Strong

We will make sure that Southway continues to be well run, with strong and appropriate organisational structures, and with leadership and governance that supports the delivery of our objectives and the requirements of the Regulator.

A governance review was completed in 2015 to make sure the organisation has the structures and skills required to deliver this Strategy, both in the Board and the Senior Management team.

9.1. Funding

Southway has a strong financial base to support its growth strategy.

Turnover is all from rent and is approximately £25m per annum. This consistently covers interest liabilities going forward by around 300% each year. This is not dependant on any surpluses from property sales, and reflects community investment costs of £1m per year, as well as a bad debt provision of up to 4.5% (against current performance of 0.6%).

We are aware of the different means available to utilise Southway's financial capacity, and will select from these options in accordance with the pace of growth expected and to achieve best value in funding.

Following the restructuring of the Trust's loan arrangements in April 2016, a £10m intra group loan has been put in place between Southway Housing Trust and Southway Plus, to fund the delivery of commercial activities. An appropriate interest rate is charged and security arrangements are in place to ensure the assets of the Parent are not put at risk.

The date for a further restructuring of our financial arrangements will be driven by the speed of delivery of the development programme but is likely to be towards the end of this Strategy period.

Our Approach to Value for Money

We will make best use of our resources by being efficient and effective in the way we do things, by maintaining the Southway standard and making efficient use of the homes we provide and by delivering commercial services that complement our core business. This approach will mean we can generate a surplus that can be used to help fund our community investment priorities.

We will set and achieve efficiency targets each year to improve our cost, performance and satisfaction levels when compared to the rest of the housing sector and we will comply with the standards set by our Regulator for Value for Money.

Our Income

Our 'Rent First ; Every Contact Counts' approach to income maximisation will mean we can achieve and sustain upper quartile rent collection and void management performance and make plans based on a reliable income stream.

We have improved the efficiency of our rent recovery service, which now performs in the top quartile of stock transfer landlords. We continue to invest in services that support our tenants when they most need it, including debt and welfare rights advice, employment and training services, and a range of financial inclusion projects to help our tenants to make the most of the money they have.

We will also recognise and thank our tenants when they do the right thing and continue to promote the Southway Rewards Scheme.

9.2. Our Staff

Southway directly employs around 200 people. We can only deliver our objectives if we have the right people with the right skills doing the right jobs. We value our staff and have put in place a People Strategy to set out our commitment to them and to be clear about what we expect in return. Our overall approach to our staff is summarised in our People Strategy objective: 'Our staff are trusted to do the right thing – they are enthusiastic, skilled and willing to go the extra mile for customers'.

We will make sure that our high levels of staff satisfaction and engagement are maintained and improved and that all our staff have the management, training and support they need to do a good job. We will recognise achievement and exceptional performance, promote curiosity and a tenacious attitude to solving problems, and encourage staff to come up with new ideas to improve our services.

10. Conclusion

We believe that this Strategy is the right one for our committed, ambitious and increasingly diverse organisation to deliver its objectives in a challenging operating environment.

We have set ourselves challenging targets, linked to our objectives, and we will account for performance against these on an annual basis.

Setting this Strategy does not mean that we will ignore new opportunities, and we are always looking for innovations and initiatives that will improve the lives of our tenants and the communities that we serve.

11. Strategies that Support Delivery

Corporate

Single Equality Scheme 2017-19

Sets out Southway's approach to promoting equality and valuing diversity, in our role as a service provider and as an employer..

Value For Money Strategy 2015-18

Sets out Southway's commitment to delivering value for money, including: the approaches we will take when seeking value in everyday decisions; specific projects where there is potential to increase value; and steps to measure value and account for how resources are used.

People Strategy 2017-19

Sets out our objectives and commitment to our staff to support them in doing the right thing and providing high quality services.

Asset Management Strategy 2017-21

Describes how we will make the best use of our assets (homes, buildings and land) to provide the best economic and social return for Southway and our tenants long term.

Development Strategy 2016-21

Sets out Southway's Development aspirations, targets and proposed tenure mix.

ICT Plan 2017-19

Explains how we will achieve the objectives of supporting business efficiency, maintaining fit-for-purpose infrastructure, supporting customer self-service, effective information security and educating staff in how to use ICT systems.

Communications and Marketing Statement 2017

Explains how and why we communicate about the brands within our group, Southway and Gecko.

Landlord Service

'Rent First/Every Contact Counts': An Approach to Income Maximisation

The document has two parts: 'Rent First' which sets out principles and guidance for tenants; and 'Every Contact Counts' which guides staff in helping to safeguard Southway's income stream. Together they form Southway's approach to income maximisation, in response to the challenges of Welfare Reform.

Customer Involvement Strategy 2015-18

Establishes the opportunities that Southway will provide to ensure its tenants and residents can get involved in shaping our services and the future of the business.

Green Spaces Strategy 2017-20

Sets out Southway's commitment and vision towards green spaces in terms of their design, management and safe use. We will make the very best use of our green space and provide an 'urban park' across our area.

Corporate

Property Services Business Plan 2018-21

To be proposed to the Parent Board in March 2018

Community Investment

Community Investment Strategy 2017-20

Explains how Southway will empower tenants to achieve their full potential through active community engagement.

Age Friendly Strategy 2017-20

Sets out how Southway will improve the quality of life of our older residents.

Digital Access Strategy 2016-20

Explains how Southway will develop digital services and support tenants to be able to access these services and be confident online.

The objective that '80% of tenants will be regularly transacting with us online' is supported by an annual Channel Shift Delivery Plan.



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